

.....

For Details, Contact:

Harold McKinney
Legal Counsel
Phone (502) 564-5841
Fax (502) 564-2912
email
hmckinne@apa1.aud.state.ky.us

Edward B. Hatchett, Jr.
Auditor of Public Accounts
144 Capitol Annex
Frankfort, KY 40601

News from State Auditor Ed Hatchett's Office

**Hatchett Releases Audit of Casey County
Fiscal Court**

(Frankfort) State Auditor Ed Hatchett has released his audit of the financial statements of the Casey County Fiscal Court for the fiscal year ended June 30, 1998. As Auditor of Public Accounts, Hatchett is responsible for auditing the financial statements of Kentucky's county governments and state agencies. State law requires annual audits of county fiscal courts.

The audit contains the following comments:

- The county should have complied with federal law U.S.C.A. § 1823(e), which requires a written agreement to protect deposits. Subsequent to our audit finding, the county began the process to obtain the written agreement.
- The county should have complied with KRS 68.220 and budgeted all expected receipts and expenditures. Subsequent to our audit finding, the county is in the process of amending the 1998-1999 to reflect funds received and expended.
- The county should have complied with KRS 68.360 and reflected receipt of the Community Development Block Grant, for the Windsor/Rocky Ford Water Expansion Project, on the Treasurer's and County Judge's quarterly financial reports.
- The county should have transferred \$20,000 from the General Fund to the Road and Bridge Fund upon receipt of Occupational Tax revenues.
- The county improperly transferred jail renovation funds, totaling \$211,625, to the general fund for cash flow purposes.

The report found that the county's financial statements, in all material aspects, fairly present the county's financial transactions.